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California State Senate

SENATOR ANDY VIDAK FOURTEENTH SENATE DISTRICT



June 17, 2015

The Honorable Mary Nichols, Chairwoman California Air Resources Board 1001 I Street Sacramento, CA 95814

Subject: Comments on Low Carbon Fuel Standard's (LCFS) provisions for Low Complexity – Low Energy (LCLE) Refiners

Thank you for allowing us to provide our comments on the Low Carbon Fuel Standard's (LCFS) provisions for Low Complexity – Low Energy (LCLE) Refiners. These provisions recognize that not all refineries are the same. We believe that there are policy and technical justifications for a distinction in the LCFS. The Air Resources Board, as well as, the U.S. Environmental Protection Agency has traditionally recognized the unique value small refiners occupy in the oil and finished fuel markets, as well as, their unique configurations and operating constraints.

Given the value of LCLE Refiners, we were concerned that the proposed final regulatory proposal for the re-adoption of California's LCFS fails to recognize Alon's Bakersfield Refinery as a LCLE producer. The facility is configured and engineered to produce low carbon intensive base fuels. Board staff had an opportunity to make the LCFS's LCLE provisions work for all low carbon intensity refineries in California, but decided against various compromise proposals presented, including proposals to limit the benefit any single LCLE refiner could receive.

As the final LCFS regulation is before you, we ask that the Board please look again at the value of all LCLE refineries and the benefits that they provide to the state. Thank you again for allowing us to provide our comments on the re-adoption of the LCFS.

Sincerely,

ANDY VIDAK

Senator, 14th District

JEAN FULLER,

Senator, 16th District